

STATE OF SOUTH CAROLINA)
)
 COUNTY OF CHARLESTON) **DEED OF CONSERVATION EASEMENT**
(RESIDENTIAL FAÇADE)

THIS indenture deed of easement (hereinafter referred to as the "Easement"), made as of the 25th day of September, 2001, between **CHISOLM STREET PARTNERS, LLC** (together with its heirs, successors, administrators and assigns and including specifically the Association as hereinafter defined, collectively referred to as "Grantor"), and **HISTORIC CHARLESTON FOUNDATION**, a non-profit corporation organized under the laws of the State of South Carolina (hereinafter referred to as "Grantee").

WITNESSETH

WHEREAS, Grantor is the Owner of certain real property, hereinafter described on Exhibit A, which is attached hereto and incorporated herein by reference, located in the City of Charleston, County of Charleston, State of South Carolina (hereinafter referred to as the "Property"); and

WHEREAS, the Grantor is submitting the Property to a horizontal property regime (the "Regime") according and subject to the terms and provisions of the Horizontal Property Act of the State of South Carolina as defined in the 1976 Code of Laws at Section 27-31-10 et seq., as amended (the "Act"), pursuant to Master Deed establishing the 3 Chisolm Street Horizontal Property Regime; and

WHEREAS, pursuant to the Master Deed, the Regime shall be administered by a non-profit corporation under the laws of the State of South Carolina (the "Association"); and

WHEREAS, the Property is located in and has been certified as being of historic significance to the officially designated Historic Charleston District of Charleston, South Carolina, which district is a registered historic district as defined by the Internal Revenue Code (1985, as amended); or is recognized by the United States Department of Interior through inclusion, or eligibility for listing, in the National Register of Historic Places; or is a part of a historically important land area whose preservation is necessary to maintain the historic integrity of the Historic Charleston District, which district contributes significantly to the cultural heritage and visual beauty of Charleston, South Carolina and should be preserved; and

WHEREAS, Grantee is authorized to accept real Property and interests therein in furtherance of its purpose of preserving and protecting the historical and architectural heritage of Charleston and its environs; and

WHEREAS, Grantor desires to grant and Grantee desires to accept, a façade conservation easement with respect to the Property; and

WHEREAS, Grantor intends to make a charitable gift of a qualified conservation contribution in the form of this Easement, as hereinafter contained, with respect to the Property, in order to further the preservation and conservation of the Property and the goals of Grantee; and

WHEREAS, the grant of this Easement is made pursuant to all municipal, state and federal ordinances, statutes and regulations, including, without limitation, the South Carolina Conservation Easement Act of 1991, South Carolina Code Sections 27-8-10 through 80, Code of Laws of South Carolina, 1976, as amended.

NOW, THEREFORE, in consideration of the sum of One and No One-hundredths (\$1.00) Dollar, in hand paid by Grantee to Grantor, the receipt of which is hereby acknowledged, and in consideration of the recitals and agreements contained herein, Grantor does hereby grant, sell and convey to Grantee, its heirs, administrators, successors and assigns, a façade and open space conservation Easement, in perpetuity, in, on and over, and the right to restrict the use of, the Property.

The restrictions, covenants, terms and conditions hereby imposed on the use of the Property are intended to be a qualified conservation contribution in accord with Section 170(h) of the Internal Revenue Code (1986, as amended). Grantor, on behalf of itself, and its heirs, administrators, successors and assigns, hereby places upon the Property such restrictions, covenants, terms and conditions set forth below. Such restrictions, covenants, terms and conditions shall run with the land in perpetuity and shall be referred to in any subsequent conveyance of any interest of the Grant, although failure to so refer shall not impair this Easement::

I. Without the prior express written consent of Grantee, Grantor will not undertake nor permit to be undertaken, (a) any construction, alteration, remodeling, repainting, refinishing, or any other thing which would alter or change the present appearance of the façade or of the façade of any of the improvements; or (b) any abrasive cleaning, chemical cleaning, sealant, or waterproofing; or (c) the exterior extension of the existing structures or the erection of any new or additional structures on the Property or in the open space above the land; *provided, however*, the cleaning, reconstruction, repair, repainting, or refinishing of the façade in its present state, damage to which has resulted from destruction or deterioration, shall be permitted without consent of Grantee so long as it is performed in a manner which will leave unchanged the appearance of the façade as it exists in its present state; *and provided, further*, that no signs, billboards, or advertising shall be placed upon the Property, except (i) such plaques or other markers for commemorating the historic importance of the Property or the grant

of this Easement, or (ii) are necessary to direct pedestrians or vehicular traffic, or (iii) indicate not more than the building name, street address and the names of the occupants of the Property.

For purposes of this grant of Easement, the "façade" of the improvements includes, without limitation, the exterior walls, including windows and doors, roofs and chimneys of all buildings, as depicted in the written description and in the photographs or drawings as attached hereto as Exhibit B. The photographs, or measured drawings, shall be kept on file with Grantee with an appropriate inscription and with the initials of Grantor and an agent of Grantee. It is the intent of the parties that these photographs or drawings shall constitute a convenient record of the present state of the building(s) and/or structure(s) located on the Property subject to this Easement, as of the date of this Easement, and shall be used as the primary evidence of the present state in enforcing the terms of this Easement; *provided, however*, that the nonexistence or unavailability of these photographs shall not preclude or prevent a future determination of the present state by any other means. In the event that Exhibit B reflects that the Property is undergoing substantial renovation and rehabilitation or work, the term "present state" or "present appearance" for purposes of this Easement shall mean the appearance of the Property upon completion of the renovation work described in Exhibit B. Upon completion of such renovation work, Grantor shall supplement Exhibit B with additional photographs to show the completed renovation work.

II. Grantor agrees to complete the renovation work described in Exhibit B within a reasonable time. Grantor agrees at all times to maintain the lot and structures thereon, and the exterior appearance of the Property in a good and sound state of repair and no extension, additional structures, or change in the color, material or surfacing of the exterior of the structures shall be permitted without the prior, express written consent of Grantee. No changes shall be undertaken to the interior or the exterior of the Property that would affect the Property's structural stability or soundness. In the event of damage to an extent that repair or reconstruction of the Property is impracticable, this Easement shall remain in full force and effect unless terminated by Court order pursuant to Article XVIII hereof, and the design of any replacement building(s) or structure(s) shall be subject to the Grantee's prior written approval.

III. All maintenance, rehabilitation or other work subject to the provisions of this Easement shall be performed according to *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*, issued and as may from time to time be amended, by the United States Secretary of the Interior, and by the *Exterior Preservation and Restoration Guidelines* and other written guidelines of Grantee issued, and as may from time to time, be amended.

IV. The Property is to be used solely for single-family, residential purposes. Grantor shall have the right to create twenty-six (26) condominium units (the "Condominium units") within the existing buildings located on the Property. Without the prior express written consent of Grantee, the type, use, and density of the Property shall not be changed. In no event shall the percentage of the lot area occupied by a structure

be increased beyond the percentage of the lot currently occupied by a structure without the prior express written consent of Grantee. In no event shall the density of the Property's use be increased beyond the current density without the express written consent of Grantee. Nothing contained herein shall prohibit Grantor or any of Grantor's successors-in-interest from renting his, her, its or their condominium unit(s) for use as a residence subject to the limitations set forth in Paragraph X hereinbelow.

V. Grantor shall keep the exterior of any improvement, structure or building located on the Property, the yard, the porches, the roofs, the area beneath any improvement, structure or building located on the Property and the sidewalk and street immediately adjacent to the Property (the foregoing hereinafter collectively referred to as the "Premises"), reasonably safe and reasonably clean. Grantor shall dispose from the Premises all ashes, garbage, rubbish and other waste in a reasonably clean and safe manner. Grantor shall not deliberately or negligently destroy, deface, damage, impair or remove any part of the Property or the Premises that is covered by this Easement or knowingly permit any person to do so. If the terms and conditions of this paragraph are not complied with to the satisfaction of Grantee, Grantee may arrange to have the terms and conditions of this paragraph complied with, including, but not limited to, contracting with someone to bring the Property into compliance with applicable building and housing codes, place the Premises in reasonably safe and reasonably clean condition and dispose from the Premises all ashes, garbage, rubbish and other waste. In the event Grantee exercises its right to bring the Premises into compliance with this paragraph, Grantor shall reimburse Grantee for the cost of doing so and Grantee shall have a lien against the Property as provided in Paragraph XII(d) hereinbelow.

VI. Without the prior express written consent of Grantee, the Property shall not be subdivided, nor converted to any form of horizontal property regime, nor any portion less than the entire Property be conveyed, except as provided in Paragraph IV hereinabove.

VII. Without the prior express written consent of Grantee, no new above-ground utility transmission lines may be erected hereafter on the Property.

VIII. No construction above-ground or below-ground or demolition of existing exterior improvements or structures on the Property shall be permitted without prior express written consent of Grantee, including without limitation, any swimming pools, garden pools, whirlpool baths, fountains, walkways, driveways, brickwork, or walls.

IX. In no event shall any interval ownership interest, interval estate, time span estate, timeshare ownership interest or timeshare leasing interest in the Property be conveyed by Grantor. For purposes of this Easement, "timeshare ownership interest" shall mean any arrangement, plan or similar device, whether by tenancy in common, sale, term for years, deed, or other means, whereby the Grantee receives an ownership interest in the Property for a period or periods of time during any given year, but not necessarily for consecutive years, which extends for a period of more than one year. For

purposes of this Easement, "timeshare leasing interest" shall mean any arrangement or plan or similar device, whether by membership agreement, lease, rental agreement, license, use agreement, security or other means, whereby the Grantee receives a right to use accommodations or facilities, or both, but does not receive an ownership interest in the Property, for a period or periods of time during any given year, but not necessarily for consecutive years, which extends for a period of more than one year.

X. In no event shall the Property be used as an Inn, Hotel, Bed and Breakfast, motel or apartment house. In no event shall Grantor lease the Property for any form of transient occupancy, nor shall Grantor enter into a lease arrangement whereby the Property, or any portion thereof, is leased for a period of less than sixty (60) consecutive days; *provided, however*, in no event shall more than two persons, excluding paid domestic and healthcare personnel, not related within four degrees of consanguinity reside in any one condominium unit located in the existing building located on the Property at the same time.

XI. No topographical changes on the Property, including, but not limited to, excavation below twelve inches, berming, or destruction of trees greater than eight inches in diameter, shall be permitted without the prior written consent of the Grantee. No investigation of below-ground accessory features, including cellars, privies and wells may be undertaken without consent of the Grantee and its approval of a suitable archaeological plan. It is hereby expressly agreed that if Grantor violates any of the terms, conditions or provisions of this Paragraph (XI), or fails to carry out any provision of this Paragraph (XI) to be performed by Grantor, Grantor shall pay Grantee the sum of Ten Thousand and No One-hundredths Dollars (\$10,000.00) as liquidated and agreed damages, which damages shall not constitute a penalty, but rather agreed upon damages for Grantor's breach of the terms, conditions and provisions of this Paragraph, and which liquidated damages shall constitute a lien on the Property in favor of Grantee; *provided, however*, in no event shall the owner of any individual Condominium Unit be liable for any act or omission of the Grantor, and Grantee shall not have the right to place a lien against any individual Condominium Unit, but only against the Regime. The liquidated damages provision of this Paragraph (XI) shall not be subject to any right to cure contained in any other paragraph in this Deed of Conservation Easement.

XII. Grantee, in order to insure the effective enforcement of this Easement, shall have, and Grantor hereby grants to it, the following rights in addition to any other rights and remedies that are available to Grantee at law or in equity:

(a) Grantor agrees that the officers of Grantee and persons delegated by it shall be permitted, upon forty-eight (48) hours prior written notice, to come upon the Property to inspect the façade and any of the Common Areas, as defined in the Master Deed, for possible violations of any of the covenants of this Easement. However, in no event shall the Grantee have the right to inspect the interior of the individual Condominium Units.

(b) In the event Grantee determines there is a violation of the Easement, it shall provide written notice to Grantor setting forth a description of each violation. If Grantor has failed to commence or continue satisfactory corrective action or work to remedy the violations described in Grantee's written notice within thirty (30) calendar days following Grantee's written notice to Grantor describing each violation, Grantee shall have (i) the right to institute legal proceedings, by *ex parte*, temporary and/or permanent injunction, (ii) to require the restoration of the Property to its prior condition, and to avail itself of all other legal and equitable remedies; and (iii) the right to enter upon the Property upon ten days' advance written notice to Grantor to correct such violations and hold Grantor financially responsible for the costs thereof.

(c) Grantor hereby agrees to reimburse Grantee for all costs incurred in connection with the enforcement and administration of Grantee's rights hereunder, including reasonable attorney's fees and litigation costs if Grantee shall prevail in such enforcement and administrative action.

(d) Grantee shall have the right to place a lien against the Property to secure the payment of any moneys owed to Grantee under the provisions of this Easement and to foreclose such lien by judicial proceedings; *provided, however*, that any such lien of Grantee shall be subordinate to the lien of any valid mortgage of record placed on the Property, now or in the future, and in no event may be placed upon any individual Condominium Unit.

(e) Grantor agrees to indemnify, hold harmless and defend Grantee, its successors, assigns, agents, employees, independent contractors and representatives from and against all claims, costs and damages, including reasonable attorney fees and litigation costs, arising out of or in any way relating to this grant of Easement and the rights, obligations and discretion granted hereunder except for such claims, costs and damages arising by reason of their gross negligence or recklessness.

(f) In the event Grantor damages, destroys, cuts or removes any tree greater than twelve inches (12") in diameter, measured four feet (4') above the immediately surrounding terrain, without prior written permission from Grantee, Grantor shall be required, in the sole discretion of Grantee, to either (i) make a donation to Grantee equal to One Hundred and no one-hundredths dollars (\$100.00) times the diameter of each tree damaged, destroyed, cut or removed, or (ii) plant on the Property, or at a location designated by Grantee, in its sole discretion, trees which have a combined total of caliper inches equal to twice the diameter of all trees damaged, destroyed, cut or removed, the species of which shall be specified by Grantee.

XIII. Grantor agrees, subject to the requirements of Paragraph III hereof, at its sole expense, to keep the Property, excluding the individual Condominium Units, insured against loss from perils commonly insured against under standard fire and extended coverage policies in an amount great enough to fully restore the Property, excluding the individual Condominium Units, to its condition immediately prior to its being damaged or destroyed. Grantor shall deliver to Grantee satisfactory certificates of

insurances within five (5) days of such request. In the event Grantor breaches its covenants hereunder, Grantee shall have the right but not the obligation to obtain such insurance, the cost of which shall be the legal obligation of the Grantor. Grantee shall not claim an interest in any insurance proceeds provided reasonable assurances are given that the Property, excluding the individual Condominium Units, shall be restored and repaired in accordance with the terms of this Easement or unless this Easement is terminated pursuant to the provisions of Article XVIII.

XIV. In the event Grantee should at some future date acquire full title to the subject Property and merger of titles should occur, any re-conveyance by Grantee of the Property shall be made subject to the provisions of this Easement.

XV. Grantor agrees that Grantee may provide and maintain a plaque on the street façade of the premises, not to exceed six inches (6") by eight inches (8") in size, mounted flush on the front exterior of the house, giving notice of the grant of this Easement.

XVI. Grantor agrees not to obstruct the substantial and regular opportunity of the general public to view the exterior architectural features of the Property from adjacent publicly accessible areas. Upon the request of Grantee, Grantor shall elect either to make the Property accessible for study by educational, architectural or historical groups at least two days per year or to provide suitable photographs of significant features of the Property not visible from publicly accessible areas; provided, however, in no event shall Grantee have access to the individual Condominium Units.

XVII. Although this Easement will benefit the public in ways recited above, nothing herein shall be construed to convey a right to the public, for access or use of the Property by the public, and Grantor shall retain exclusive right of access and use, subject only to the provisions of this Easement.

XVIII. Grantor and Grantee hereby recognize that subsequent unexpected changes in the conditions surrounding the Property may make impossible the continued ownership or use of the Property for preservation and conservation purposes and necessitate extinguishment of this Easement. Such a change in conditions generally includes, but is not limited to, destruction to such an extent that repair or reconstruction is impracticable or condemnation. Such an extinguishment must comply with the following requirements:

(a) The extinguishment must be the result of a final judicial proceeding;

(b) Grantee shall be entitled to share in the net proceeds resulting from the extinguishment in an amount equal to the percentage that the value of the Easement bears to the value of the Property as a whole at the date of donation of the Easement.

(c) Grantee agrees to apply all of the net proceeds it receives for such extinguishment to the preservation and conservation of other buildings, structures or sites having historical, architectural, cultural, or aesthetic value and significance to the City and environs of Charleston, South Carolina.

(d) Net proceeds shall include, without limitation, insurance proceeds, condemnation proceeds or awards, proceeds from a sale in lieu of condemnation, and proceeds from the sale, lease, or exchange by Grantor of any portion of the Property after the extinguishment.

XIX. Grantor hereby grants Grantee a first right of refusal to purchase the Property if at any time the Property is withdrawn from the Horizontal Property Regime and a contract for the purchase and sale of the Property, or any part thereof, (hereinafter referred to as the "Contracted For Property") is entered into by Grantor (hereinafter referred to as the "Contract"); *provided, however*, that the right of first refusal contained in this paragraph shall apply only to open market arms-length transactions. For purposes of this paragraph, open market arms-length transactions shall not include transfers between spouses, transfers between parents and children, transfers between grandparents and grandchildren, transfers between siblings and transfers between a corporation and any shareholder in the same corporation who owns ten percent (10%) or more of the stock in such corporation and transfers between a limited liability corporation and any member who owns more than ten percent (10%) of such limited liability corporation.

Grantor agrees that in the event Grantor enters into a Contract, Grantor shall so advise the Director of the Grantee, in writing, by registered mail, return receipt requested, of the impending sale within five (5) days after the execution of the Contract. The notice required to be given to the Director of the Grantee (hereinafter referred to as "Grantor's Notice") shall include a description of the Contracted For Property, the name, address and telephone number of the buyer(s) and the seller(s), the name, address and telephone number of the closing attorney, the name, address and telephone of any realtor who represents any of the parties to the Contract in connection with the purchase and sale of the Contracted For Property and the purchase price of the Contracted For Property and shall also enclose a complete copy of the Contract.

Grantor's Notice shall constitute an offer to Grantee to sell the Contracted For Property to Grantee on the same terms set forth in the Contract, and the Contract shall be deemed contingent as to the buyer(s) listed therein upon Grantee waiving its first right of refusal; *provided, however*, that nothing herein shall be construed to require Grantee to waive its right of refusal. All Contracts must contain reference to Grantor's first right of refusal, and any Contract which fails to make reference to Grantor's first right of refusal shall be null and void. Failure to include reference to Grantor's first right of refusal shall not impair the validity of the first right of refusal granted to Grantee herein or the validity of this Easement or limit its enforcement of either in any way.

Grantee shall have until 11:59:59 pm, local Charleston, South Carolina, time, on the tenth (10th) day after receipt of Grantor's Notice, as evidenced by the return receipt, to

accept or reject the offer to sell the Contracted For Property to it. Should Grantee choose to accept the offer to purchase the Contracted For Property, it shall communicate its acceptance either by depositing written notice of its acceptance in the United States mail with proper postage affixed thereto addressed to the seller, with a copy to the buyer, or by hand delivering written notice of its acceptance to the seller, with a copy to the buyer, on or before 11:59:59 pm on the tenth (10th) day after receipt of Grantor's Notice (hereinafter referred to as "Grantee's Notice"); *provided, however*, that if Grantor's Notice specifies that Grantee send Grantee's Notice to someone other than the seller and sets forth the address of such person so specified, Grantee shall send Grantee's Notice to the person specified in Grantor's Notice in the manner set forth herein; *provided, further, however*, that if Grantor's Notice specifies Grantee's Notice be sent via facsimile and Grantor's Notice includes the facsimile number to which Grantee's Notice is to be sent, Grantee shall send Grantee's Notice via facsimile. Upon Grantee giving Grantee's Notice as provided herein, the Contract shall be terminated as to the buyer listed in the Contract. Grantee and Grantor shall thereafter memorialize in writing their contract for the purchase and sale of the Contracted For Property within fifteen (15) days after the date of Grantee's Notice, which document shall contain the same terms set forth in the Contract.

Grantee shall be deemed to have waived its first right of refusal granted herein as to the transfer of title arising out of that Contract only, if (1) Grantee fails to communicate its acceptance in the manner set forth hereinabove by 11:59:59 pm on the tenth (10th) day after receipt of Grantor's Notice, or (2) it specifically waives its first right of refusal as to that Contract in writing; *provided, however*, that waiver as to any particular Contract shall constitute a waiver as to that Contract only and shall in no event constitute a waiver as to any contract subsequently entered into by Grantor for the sale of the Property.

In the event Grantor transfers title to the Property, or any part thereof, to anyone other than Grantee pursuant to any open market arms-length transaction, (1) without first giving Grantee Grantor's Notice in the manner provided hereinabove, (2) prior to expiration of the ten (10) day period set forth hereinabove or (3) after receiving Grantee's Notice prior to expiration of the ten (10) day period set forth hereinabove in the manner set forth hereinabove, such transfer shall be null and void and Grantee shall have the right to purchase the Contracted For Property under the terms set forth in the Contract by giving Grantee's Notice to the transferee in the manner set forth hereinabove within one (1) year after it has actual knowledge of the transfer. Failure of Grantee to exercise its first right of refusal after learning of a transfer shall not constitute a waiver of Grantee's first right of refusal as to any future Contract or transfer. *Provided, however*, notwithstanding anything herein to the contrary, in no event shall the right of first refusal apply to an individual condominium unit.

XX. Grantee agrees that within twenty (20) days after Grantor's request to execute, acknowledge and deliver to Grantor a written instrument stating that Grantor is in full compliance with the terms of this Easement, or if Grantor is not in compliance, stating the nature of such noncompliance and the steps necessary to correct such noncompliance.

XXI. Grantee agrees that it will hold this Easement "exclusively for conservation purposes" as that term is defined in the Internal Revenue Code of 1985 and the implementing Treasury regulations as they may be amended from time to time. Subject to the foregoing, Grantee reserves the right to delegate all or part of its responsibilities hereunder to other public entities or organizations if Grantee determines that such delegation furthers the public purposes of this Easement.

XXII. Unless specified otherwise, for any activity on the Property which requires notice and/or approval of Grantee, Grantor agrees to notify Grantee in writing of Grantor's proposed activity not less than thirty (30) days prior to the proposed beginning of the activity on the Property. The notice shall describe the nature, scope, location, timetable, and any other material aspect of the proposed activity in sufficient detail to permit Grantee to evaluate the activity, to determine whether to accept or reject the proposal and to monitor the activity, if approved. Failure to secure approval or give notice as may be required under the Easement shall be a material breach of this Easement and shall entitle Grantee to such remedies as may be available herein.

XXIII. Any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any term of this Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such term of any subsequent breach of the same or any other term of this Easement or of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach of Grantor shall impair such right or remedy or be construed as a waiver.

XXIV. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including, without limitation, the maintenance of any insurance coverage.

XXV. If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee may by mutual written agreement jointly amend this Easement; provided that no amendment shall be allowed that will adversely affect the qualification of this Easement or the status of Grantee under any applicable laws, including Sections 170(h) and 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the laws of the State of South Carolina. Any such amendment shall be consistent with the purpose of this Easement, shall not affect its perpetual duration, shall not permit additional development or improvements to be constructed on the Property, other than development or improvements permitted by this Easement on its effective date, and shall not permit any impairment of the significant conservation, historic and architectural values of the Property. Any such amendment shall be recorded in the RMC Office of Charleston County, South Carolina. Nothing in this paragraph shall require Grantor or Grantee to agree to any amendment.

XXVI. The benefits of this Easement shall be in gross and shall be assignable by Grantee; *provided, however,* that as a condition of any assignment, Grantee requires that the purpose of this Easement continues to be carried out, and the

assignee, at the time of assignment, qualifies under Section 170(h) of the Internal Revenue Code of 1985, as amended, and applicable regulations thereunder; and under the law of the State of South Carolina as an eligible donee to receive this Easement directly.

XXVII. Grantor agrees to incorporate by reference the terms of this Easement into any deed or other legal instrument by which Grantor transfers any interest in all or a portion of the Property, including, without limitation, a leasehold interest. The failure of Grantor to perform any act required by this paragraph shall not impair the validity of this Easement or limit its enforceability in any way.

XXVIII. Unless otherwise provided herein, any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other shall be in writing and either served by overnight carrier or sent by certified mail, return receipt requested and addressed as follows:

To Grantor:	Chisolm Street Partners, LLC David L. Perdue Seed Partners 434 Marietta Street N.W. Atlanta, GA 30313
To Grantee:	Historic Charleston Foundation 40 East Bay Street Post Office Box 1120 Charleston, SC 29402
With a copy to:	Edward K. Pritchard, III, Esquire Pritchard & Berlinsky, LLC P.O. Box 1506 Charleston, SC 29402

or to such other address as any of the above persons from time to time shall designate by written notice to the others. Notice shall be effective, as the case may be, on the day following the day on which the notice is presented to the overnight carrier, or three (3) days after the notice is deposited with the U.S. Postal Service for delivery by certified mail.

XXIX. Grantee shall record this instrument in timely fashion in the Office of the Register of Mesne Conveyance for Charleston County, South Carolina, and may re-record it at any time.

XXX. Grantor and Grantee intend that this Easement shall be construed liberally to further the public purpose of preserving the historic, cultural, scenic and aesthetic character of the Property and the historic district in which the Property is located. Grantor and Grantee further intend that the various terms, provisions and conditions of this Easement be strictly complied with and that substantial compliance with the terms, conditions and provisions of this Easement shall not be sufficient. In the event

of any ambiguity in the terms of this Easement, said ambiguity shall be resolved by a liberal construction of the language of the grant in favor of Grantee to effect the purpose of this Easement and the policy and purposes of the Grantee. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid. This document memorializing the terms of this Easement is a negotiated document and the general rule that the terms of a document shall be construed against the party preparing it shall not apply to the interpretation of this Easement.

XXXI. The following general provisions shall apply:

a. The interpretation and performance of this Easement shall be governed by the laws of the State of South Carolina.

b. If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Easement shall not be affected thereby.

c. The covenants, terms, conditions and restrictions of this Easement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns and shall run with the title and continue as a servitude running in perpetuity with the Property.

XXXII. In the event Grantor or anyone claiming under it institutes legal proceedings for the purpose of extinguishing this Easement, modifying this Easement in any way, supplementing this Easement, altering this Easement in any way, interpreting this Easement or severing any provision of this Easement, the person or persons instituting such legal proceedings shall be responsible for paying all costs and fees incurred by Grantee or its assignee in defending such action, including, without limitation, its litigation costs and attorney's fees. In the event Grantee or its assignee initiates an action to determine the validity of this Easement or any part thereof, or to interpret this Easement or any part thereof, the prevailing party shall be entitled to recover reasonable attorney fees and litigation costs.

XXXIII. In computing any period of time prescribed or allowed by this Easement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or a State or Federal holiday or a day on which, due to weather or other conditions, the Governor of South Carolina or the Mayor of the City of Charleston has issued a voluntary or mandatory evacuation order, in which event the period runs until the end of the next day which is not one of the aforementioned days. When the period of time prescribed or allowed is less than eleven (11) days, intermediate Saturdays, Sundays and State and Federal holidays shall be excluded in computation.

XXXIV. Except as otherwise provided herein, there shall be assessed by

the Historic Charleston Foundation and collected from the purchaser of the property, or any portion thereof, subject to this easement, a transfer fee (the "Transfer Fee") equal to twenty-five one-hundredths of one percent (0.25%) of the sales price of such property, or any portion thereof, which transfer fee shall be paid to the Historic Charleston Foundation and used by the Historic Charleston Foundation for the purpose of preserving the historical architectural, archeological or cultural aspects of real property. Such fee shall not apply to initial sales of the individual Condominium Units from Grantor to the individual Condominium Unit purchasers, inter-spousal transfers, transfers by gift, Will, bequest, intestate succession or transfers to the Historic Charleston Foundation. In the event of non-payment of such transfer fee, the amount due shall bear interest at the rate of 12% (twelve percent) *per annum* from the date of such transfer, shall, together with accrued interest, constitute a lien on the real property, or any portion thereof, subject to this easement and shall be subject to foreclosure by the Historic Charleston Foundation. *Provided, however,* that any such lien of Grantee shall be subordinate to the lien of any valid mortgage of record placed on the Property, now or in the future. In the event that the Historic Charleston Foundation is required to foreclose on its lien for the collection of the transfer fee, and/or interest thereon, provided for herein, the Historic Charleston Foundation shall be entitled to recover all litigation costs and attorney's fees incurred in such foreclosure, which litigation costs and attorney's fees shall be included as part of the lien and recoverable out of the proceeds of the foreclosure sale. The Historic Charleston Foundation may require the purchaser and/or seller to provide reasonable written proof of the applicable sales price, such as executed closing statements, contracts of sale, copies of deeds, affidavits or such other evidence, and such purchaser shall be obligated to provide such information within forty-eight (48) hours after receipt of written request for such information from the Historic Charleston Foundation.

XXXV. Notwithstanding anything in this Easement to the contrary, upon the submission of the Property to the Regime, Chisolm Street Partners, LLC shall have no further obligations or liability for any actions or omissions of the Grantor except as it may be obligated to Grantor as an owner of a Condominium Unit(s).

TO HAVE AND TO HOLD, all and singular, this grant of Easement over the Property, unto said Historic Charleston Foundation, its successors and assigns, forever.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their hands or their duly authorized representatives and officers this 25th day of September, 2001.

**SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:**

WITNESSES AS TO GRANTOR:

[Signature]
[Signature]

**GRANTOR:
CHISOLM STREET PARTNERS, LLC,
A Georgia Limited Liability Company**

**By: MURRAY SCHOOL PARTNERS, LLC,
A Georgia Limited Liability Company,
Its Manager**

By: [Signature]
David L. Perdue, Managing Member

WITNESSES AS TO GRANTEE:

[Signature]

**GRANTEE:
HISTORIC CHARLESTON FOUNDATION**

By: [Signature]

Its: President

[Signature]
[Signature]

By: [Signature]

Its: Secretary

[Signature]

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 25th day of September, 2001, by Chisolm Street Partners, LLC, a Georgia limited liability company, by Murray School Partners, LLC, a Georgia limited liability company, its Manager, by David L. Perdue, its Managing Member.

SWORN to before me this 25th day of September, 2001

Julie M. Chanson
Notary Public for South Carolina
My Commission Expires 3/26/08
(SEAL)

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 3^d day of October, 2001, by Historic Charleston Foundation by Ronald R. Pratt-Kramer its President, and Sallie M. Senkler, its Secretary.

SWORN to before me this 3^d day of October, 2001

Edward K. Pateford, III

Caroline M. Marra
Notary Public for South Carolina
My Commission Expires 1-23-2007
(SEAL)

EXHIBIT A

ALL that lot, piece or parcel of land, with the buildings and improvements thereon, situate, lying and being in the City and County of Charleston, State aforesaid, and being known and designated as 3 Chisolm Street on a plat dated September 29, 1999 prepared by E.M. Seabrook, Jr., Inc. Engineers, Surveyors, Planners entitled "City of Charleston, Charleston County, S.C. Plat of 1.22 Acre Tract Situate at 3 Chisolm Street Owned by School District No. 20 of Charleston County, the State of South Carolina, The City Board of Public School Commissioners for the City of Charleston and School District of Charleston County about to be conveyed to Chisolm Street Partners, LLC" and attached hereto and recorded in the RMC Office for Charleston County. Said lot having such metes, bounds, measurements as shown thereon.

THIS being the same property conveyed to Chisolm Street Partners, LLC, by Deed of Charleston County School District dated November 11, 1999 and recorded in the RMC Office for Charleston County in Deed Book N-337 at Page 738.

TMS Number: 457-07-04-036

EXHIBIT B

Certain of the attachments referred to as Exhibit B are not recordable. Accordingly, none of the attachments referred to as Exhibit B have been recorded, but they are available for inspection upon reasonable request of the Historic Charleston Foundation, which is located as of the date of the execution of this easement at 40 East Bay Street, Post Office 1120, Charleston, South Carolina 29402.

Exhibit B consists of the following documents, each of which has been initialed by the Grantor:

1. Plat entitled "Resurvey of 3 Chisolm Street Horizontal Property Regime Owned by Chisolm Street Partners, LLC" dated November 27, 2001 and revised December 7, 2001, prepared by E. M. Seabrook, Jr., Inc.;
2. Drawings showing the vertical location of the Buildings and Improvements dated December 7, 2001, prepared by E. M. Seabrook, Jr., Inc.; and
3. Floor Plans dated November 26, 2001, prepared by Brook Green Architects & Planners.
4. Two sets of black and white photographs, 32-pictures each set.
5. Two sets of color photographs – 21 pictures each set.

BK V390PG303

EDWARD K. PRITCHARD, III
PRITCHARD & BERLINSKY, LLC
POST OFFICE 1506
CHARLESTON, SC 29402

73.00c

LJ

FILED

V390-286

2001 DEC 12 PM 1:29

CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC